GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:5488
ANSWERED ON:02.05.2005
REPORT OF COMMITTEE ON PRICE OF MEDICINES
Acharia Shri Basudeb;Gandhi Smt. Maneka

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

to the reply given to Unstarred Question No. 3263 dated December 21, 2004 and state:

(a) whether the Government-has received any report of the committee constituted to examine the span of price control;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN):

(a) to (c) A Committee under the Chairmanship of Joint Secretary (PI) was constituted to examine the span of price control (including trade margin) in the light of National Common Minimum Programme and the observations of the Supreme Court in SLP No. (C) 3668/ 2003 and to suggest measures for fulfilling the objective of National Common Minimum Programme to ensure the availability of iife saving drugs at reasonable prices. This Committee has submitted its interim report to the Government. The Committee has recommended, inter-alia, intensive monitoring on the prices of all those drugs out of the selected basket (National List of Essential Medicines, 2003) which are not under price control, ceilings on trade margins of drugs, a system of price negotiations for the new patented drugs, special schemes for people below poverty line, introduction of Rajasthan Model of Life Line Fluid Stores (hospital pharmacy stores run by Medicare Societies) for bulk purchase of drugs directly from manufacturer and selling them at reduced prices, compounding of offences under the Essential Commodities Act, establishment of DPCO cells in all States on the model of Karnataka, price negotiations at the time of launching of a new patented drug, efforts to increase public awareness, wide publicity to policies and decisions of the Government and NPPA etc. Follow up action has been initiated on the recommendations of the Committee made in its interim report.